Comparisons of Actuals vs Budget -- As of June 30, 1991

1991	Second Quarter				Year-to-Date			
	Actual	Budget	Variance	Percentage	Actual	Budget	Variance	Percentage
Income Statement								
Revenue								
Paying Users	4,496	3,957	539	114%				
Active Users	2,698	2,770	(72)	97%				
Average Active Hours/User	6	8	(2)	71%				
Packet Users	1,214	1,053	161	115%				
Packet hour usage	14,340	15,509	(1,169)	92%				
Leased line/hi speed	312		312					
Monthly fees	154,594	116,610	37,984	133%	294,011	226,920	67,091	130%
Hourly fees	94,414	130,603	(36,190)	72%	185,985	254,150	(68,165)	73%
Packet fees	53,510	69,791	(16,281)	77%	109,359	135,812	(26,453)	81%
Leased line/hi speed fees	1,219		1,219		1,596		1,596	
Disk storage	4,641	5,831	(1,190)	80%	9,988	11,346	(1,358)	88%
Other Revenue (Reg Fees, Softwar	6,293	6,428	(135)	98%	12,587	11,255	1,332	112%
Total Charges	314,669	329,262	(14,593)	**96%**	613,526	639,483	(25,957)	**96%**
Minus Discounts	(60,518)	(86,037)	25,519	70%	(118,416)	(163,539)	45,123	72%
Total Revenue	254,151	243,225	10,926	**104%**	495,110	475,944	19,166	**104%**
Direct Costs								
Packet Services	43,263	55,833	(12,570)	77%	81,918	108,649	(26,731)	75%
Phone Services	6,402	6,790	(388)	94%	15,349	13,188	2,161	116%
Support Materials	4,424	4,515	(91)	98%	7,226	9,030	(1,804)	80%
Postage	1,683	840	843	200%	2,893	1,680	1,213	172%
Total Direct Costs	55,772	67,978	(12,206)	82%	107,386	132,547	(25,161)	81%
Percent of Gross Revenue	**21.94%**	**27.95%**		79%	**21.69%**	**27.85%**		78%
Gross Margin	198,379	175,248	23,132	113%	387,724	343,397	44,327	113%
Percent of Gross Revenue	**78.06%**	**72.05%**		108%	**78.31%**	**72.15%**		109%

Comparisons of Actuals vs Budget -- As of June 30, 1991

1991	Second Quarter				Year-to-Date			
	Actual	Budget	Variance	Percentage	Actual	Budget	Variance	Percentage
Indirect Costs								
Personnel								
Director	15,514	13,892	1,622	112%	29,980	28,581	1,399	105%
System Admin	9,218	9,000	218	102%	18,321	18,000	321	102%
Engineer	12,384	9,000	3,384	138%	21,236	18,000	3,236	118%
Customer Support	15,083	13,500	1,583	112%	27,427	27,000	427	102%
Marketing Director	10,880	10,800	80	101%	21,380	21,600	(220)	99%
Accounts Manager	10,150	9,450	700	107%	19,600	18,900	700	104%
Admin. Asst.	8,927	7,200	1,727	124%	16,367	14,400	1,967	114%
Bookkeeper	1,900	1,500	400	127%	3,700	3,300	400	112%
Payroll Taxes	6,481	7,888	(1,406)	82%	13,329	15,892	(2,562)	84%
Benefits	4,073	4,623	(550)	88%	7,896	9,245	(1,349)	85%
	94,610	86,852	7,758	109%	179,235	174,917	4,318	102%
Percent of Gross Revenue	37.23%	35.71%	1.52%	104%	36.20%	36.75%	-0.55%	99%
Computer Operations								
Computer Space Rent	1,350	1,350		100%	2,700	2,700		100%
Electricity	1,297	956	340	136%	2,243	1,860	383	121%
Hardware	5,129	150	4,979	3419%	5,192	1,250	3,942	415%
Software (System and re-sale)	118	150	(32)	79%	423	4,300	(3,877)	10%
Modems		600	(600)			1,200	(1,200)	
Maintenance & Repair	4,122	4,500	(378)	92%	8,565	9,000	(435)	95%
Contract Programming		1,500	(1,500)			3,000	(3,000)	
	12,016	9,206	2,809	131%	19,124	23,310	(4,187)	82%
Percent of Gross Revenue	4.73%	3.79%	0.94%	125%	3.86%	4.90%	-1.04%	79%
Sales/Marketing								
Travel & entertainment	1,061	689	372	154%	1,634	1,310	324	125%
Promotional materials	764	1,722	(958)	44%	987	6,275	(5,288)	16%
Advertising	2,156	1,200	956	180%	4,116	2,400	1,716	171%
Network subscriptions	64	225	(161)	29%	136	450	(314)	30%
Telephone								
Complimentary WELL time		312	(312)			624	(624)	
	4,046	4,148	(102)	98%	6,872	11,059	(4,187)	62%
Percent of Gross Revenue	1.59%	1.71%	-0.11%	93%	1.39%	2.32%	-0.94%	60%

Comparisons of Actuals vs Budget -- As of June 30, 1991

1991	Second Quarter				Year-to-Date			
	Actual	Budget	Variance	Percentage	Actual	Budget	Variance	Percentage
Office								
Office Rent	5,562	5,400	162	103%	10,692	10,800	(108)	99%
Utilities	579	1,109	(530)	52%	1,346	2,109	(763)	64%
Postage	796	956	(160)	83%	1,882	1,861	21	101%
Computer Hardware	1,111	548	564	203%	3,536	1,095	2,440	323%
Computer Software	663	150	513	442%	891	300	591	297%
Phones	1,382	1,383	(1)	100%	3,083	2,630	453	117%
Office Supplies	1,871	1,453	418	129%	4,348	2,764	1,584	157%
Temp Labor	483		483		2,717		2,717	
Repairs & Maintenance	2,012	172	1,840	1168%	2,615	328	2,288	799%
Communications	2	65	(63)	3%	11	126	(115)	9%
	14,461	11,235	3,226	129%	31,121	22,012	9,108	141%
Percent of Gross Revenue	5.69%	4.62%	1.07%	123%	6.29%	4.62%	1.66%	136%
Customer Support								
Labor		120	(120)			240	(240)	
Complimentary WELL Time		481	(481)			939	(939)	
Training		150	(150)			200	(200)	
		751	(751)			1,379	(1,379)	
Percent of Gross Revenue		0.31%	-0.31%			0.29%	-0.29%	
General & Administrative								
Insurance	256	1,050	(794)	24%	1,141	2,100	(959)	54%
Depreciation	6,751	7,330	(579)	92%	13,353	14,136	(784)	94%
Bad Debts	5,066	7,297	(2,231)	69%	9,904	14,278	(4,374)	69%
Outside Professional Services	996	2,824	(1,828)	35%	3,435	5,649	(2,214)	61%
Licenses, Fees, Taxes, Membershi	1,662	1,500	162	111%	2,676	2,300	376	116%
Bank Fees	5,581	4,937	644	113%	10,533	9,662	872	109%
Miscellaneous	182	344	(162)	53%	662	655	7	101%
Non-taxable Donations					400	200	200	200%
Board-related Expenses	1,022	800	222	128%	1,701	1,600	101	106%
	21,516	26,083	(4,567)	82%	43,806	50,580	(6,774)	87%
Percent of Gross Revenue	8.47%	10.72%	-2.26%	79%	8.85%	10.63%	-1.78%	83%
Total Indirect Costs	146,649	138,276	8,373	106%	280,157	283,258	(3,101)	99%
Percent of Gross Revenue	57.70%	56.85%	0.85%	101%	56.58%	59.52%	-2.93%	95%
Total Costs	202,421	206,254	(3,833)	98%	387,543	415,805	(28,263)	93%
Percent of Gross Revenue	79.65%	84.80%	-5.15%	94%	78.27%	87.36%	-9.09%	90%

Comparisons of Actuals vs Budget -- As of June 30, 1991

1991	Second Quarter				Year-to-Date			
	Actual	Budget	Variance	Percentage	Actual	Budget	Variance	Percentage
Earnings Before Int & Taxes	51,730	36,971	14,759	140%	107,567	60,138	47,429	179%
Percent of Gross Revenue	20.35%	15.20%	5.15%	134%	21.73%	12.64%	9.09%	172%
Interest Income (Expense)								
Interest rec'd from cash in bank	341	282	60	121%	726	661	65	110%
Sequent loan interest paid	(579)	(579)		100%	(1,209)	(1,209)		100%
	(237)	(297)	60	80%	(483)	(548)	65	88%
Earnings Before Taxes	51,493	36,674	14,819	140%	107,084	59,590	47,494	180%
Corporate taxes	10,637	13,203	(2,565)	81%	30,650	21,452	9,198	143%
Earnings	40,856	23,472	17,384	174%	76,434	38,138	38,296	200%
Dividends								
Net Earnings	40,856	23,472	17,384	174%	76,434	38,138	38,296	200%
Capital Budget								
Sequent expansion	11,000		11,000		11,000	8,500	2,500	129%
Modems	1,509	4,000	(2,491)	38%	7,783	8,000	(217)	97%
Office equipment	4,422		4,422		4,422		4,422	
Other						2,000	(2,000)	
	16,931	4,000	12,931	423%	23,204	18,500	4,704	125%

Comparisons of Actuals vs Budget -- As of June 30, 1991

1991	Second Quarter				Year-to-Date			
	Actual	Budget	Variance	Percentage	Actual	Budget	Variance	Percentage
BALANCE SHEET								
Short Term Assets								
Cash in bank	37,047	18,540	18,507	200%				
Accounts receivable	57,441	61,882	(4,441)	93%				
Allowance for uncollectables	(9,904)		(9,904)					
Credit card vouchers	91,703	68,643	23,060	134%				
Other	9,268	3,042	6,227	305%				
	185,554	152,106	33,448	6%				
Long Term Assets								
P & E	209,310	184,581	24,729	113%				
Accumulated depreciation	(53,331)	(54,115)	784	99%				
	155,979	130,466	25,513	120%				
	341,533	282,572	58,961					
Short Term Liabilities								
Prepaid usage	9,412	6,046	3,366	156%				
Accounts payable	44,625	24,109	20,516	185%				
Sequent loan (current period)	7,500	7,500		100%				
NETI loan (current period)	30,000	30,000		100%				
Payroll taxes payable	647	2,588	(1,941)	25%				
Corporate taxes payable	14,481	4,355	10,126	333%				
	106,665	74,598	32,067	143%				
Long Term Liabilities								
NETI advance	17,500	17,500		100%				
Sequent loan	7,665	7,665		100%				
	25,165	25,165		100%				
Stockholders Equity								
Common Stockholders	27,990	27,990		100%				
Retained earnings	105,164	116,681	(11,517)	90%				
Current Period Earnings	76,549	38,138	38,411	201%				
	209,703	182,808	26,894	115%				
	341,533	282,572	58,961	121%				